



*USDA Imagery Planning and Coordination Meeting
December 6 – 8, 2011 Salt Lake City, Utah*



FSA Budget and Fiscal Issues



FSA Budget Reimbursable Issues



Administrative Fees



Interagency Service Agreements

APFO Budget

Past, Present and Potential Future



FMMI

Financial Management Modernization Initiative

The FMMI project is designed to modernize the departmental and agency financial and administrative payment and program general ledger systems.

Implementation: Provide a commercial-off-the-shelf (COTS) enterprise resource planning (ERP) solution to replace the legacy mainframe systems with an advanced, Web-based financial management system.

Objective: To improve financial management performance by efficiently providing USDA with a modern, core financial management system that provides maximum support to the mission.

FMMI provides the following financial and accounting functions:

General Ledger
Accounts Receivable
Purchasing
Accounts Payable
Funds & Cost Management





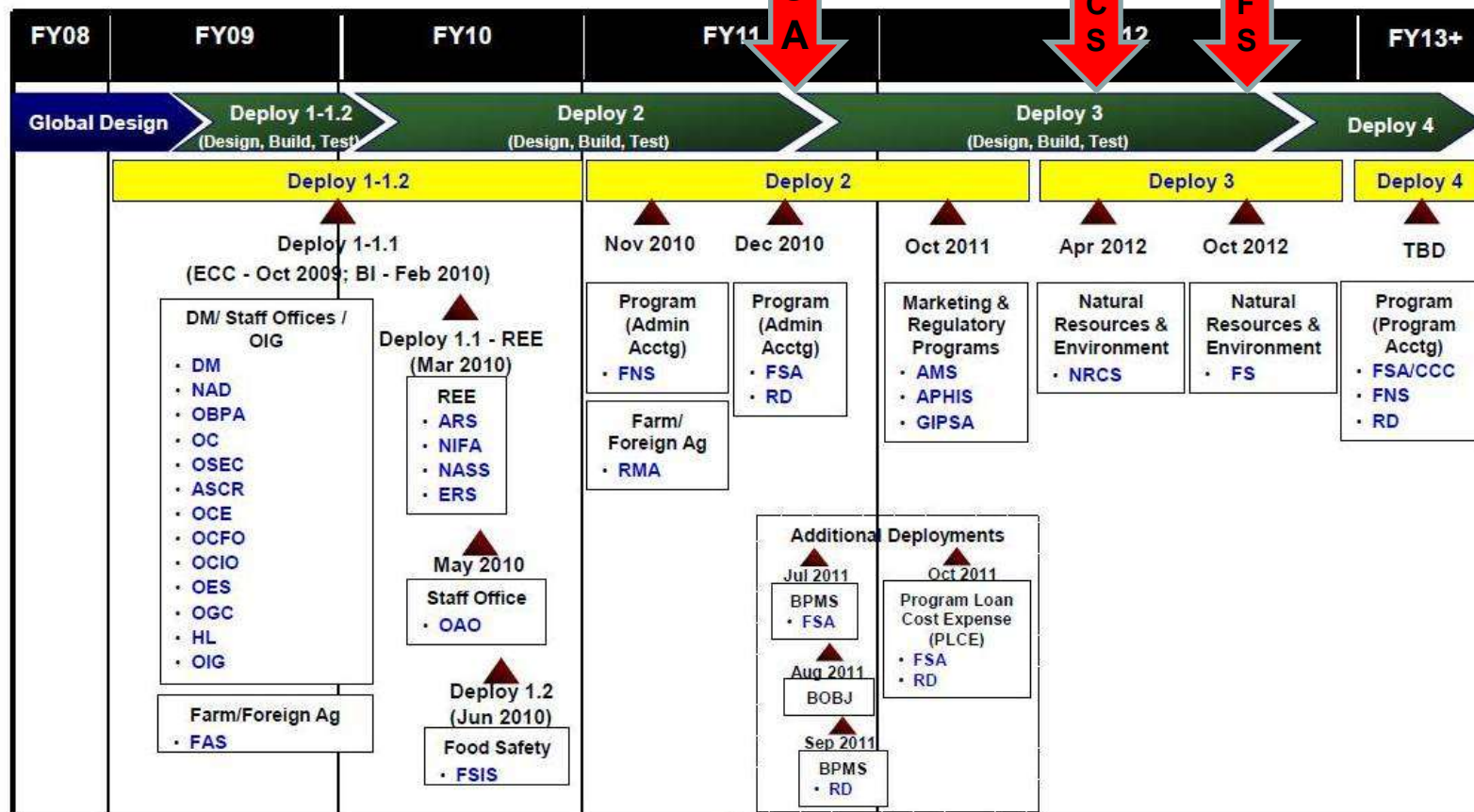
FMMI Deployment Schedule



FSA

NRCS

USFS





Super Fund

- One stop shopping
 - NAIP Imagery Acquisition
 - FSA and Partners combine to fund
 - FSA Mission support costs
 - Manpower, equipment, tech upgrades
 - Shipping, Media
 - Non-FSA Areas
 - Limited Manpower for Resource & NRI/SLI
 - Tech upgrades for storage and delivery
 - Shipping & Media

Direct vs. Reimbursable

- Direct Funds
 - Admin functions and some salaries
 - Facility concerns, Training, Travel, some Positions
 - FSA Mission support costs
 - NAIP, some contracting support
- Reimbursable Funds
 - Customer Service Sales
 - Some positions, products, shipping
 - Flying Contract Program Management
 - Some positions
 - Contract support costs
 - NAIP Acquisition (Partner Contributions)
 - NRI/SLI and Resource concerns, Shipping, portions of Quality Assurance





New Business Rules

- FSA budget allocation is used for FSA mission only
- Work performed for other agencies is reimbursed by that agency (labor, services, materials & overhead)
- APFO is required to account for all expenditures billable to work performed for other agencies
- APFO's operating budget is reduced by the amount of expenditures for non-FSA work

New Business Strategy

- Reduce APFO costs:
 - Evaluate Contracting and QA inspection processes
 - Minimize APFO IT support and storage requirements
 - Reduce material and shipping costs
- Realign business plan with Partners
 - Adjust administrative fee system
 - Evaluate digital acquisition products and deliveries





FSA Budgeting and Fiscal Issues



Realignment of Contract Administrative Fees

**Does the administrative fee charged cover
APFO costs?**

Historic comparison of administrative fees
charged and APFO labor & shipping for
the Resource and NRI/SLI contracts

APFO Contract Administrative Charges

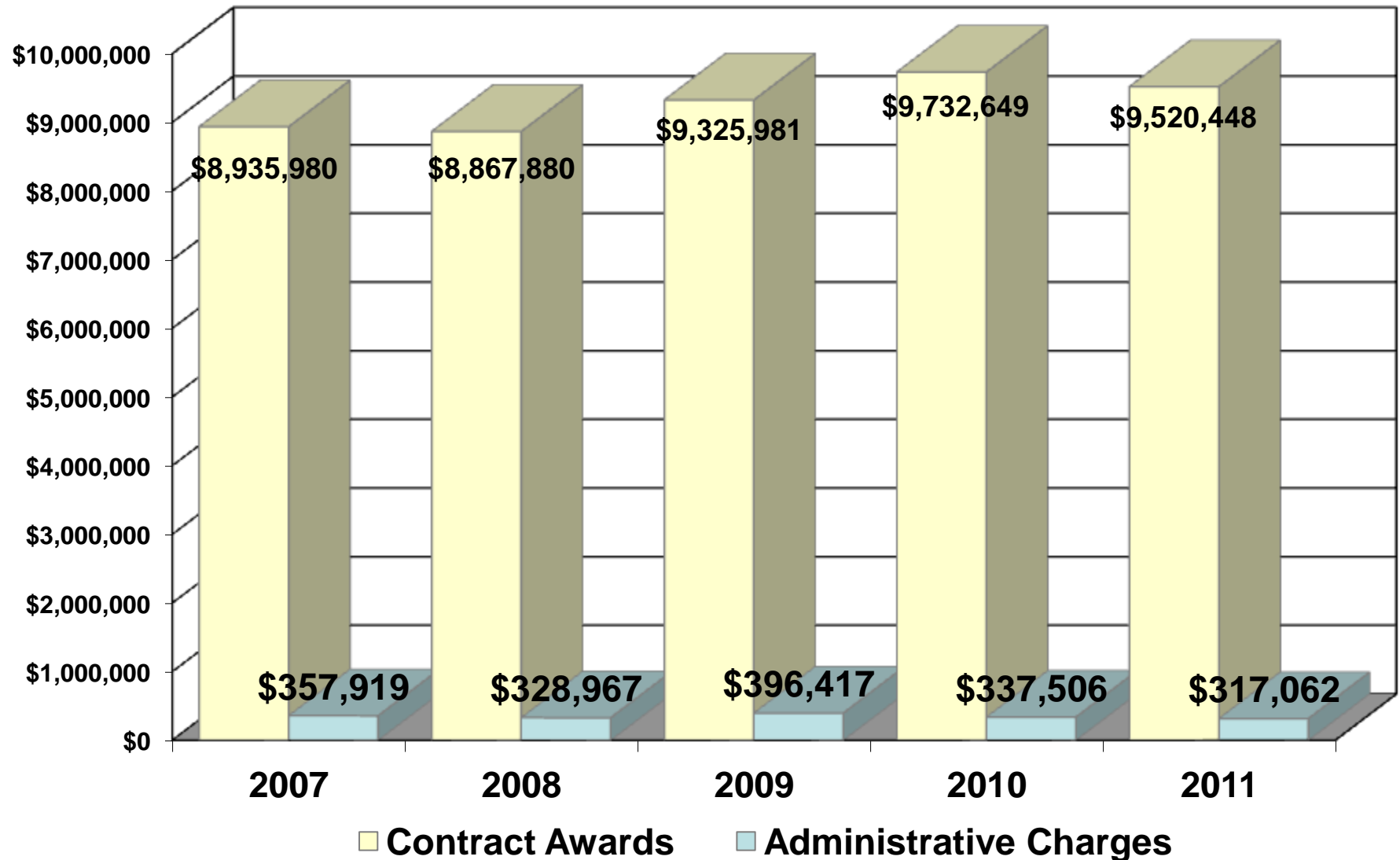


Background:

- FSA's new budget accounting system (FMFI) and reduced federal budgets have required the need for more rigorous reimbursable accounting.
- All APFO expenses related to other agency contracting, inspection, and support activities require direct reimbursement.
- This includes labor (salaries & benefits), shipping costs, materials used, and overhead costs.
- Expenditures must be reimbursed from the customer's agreement in the same fiscal year the work was performed.

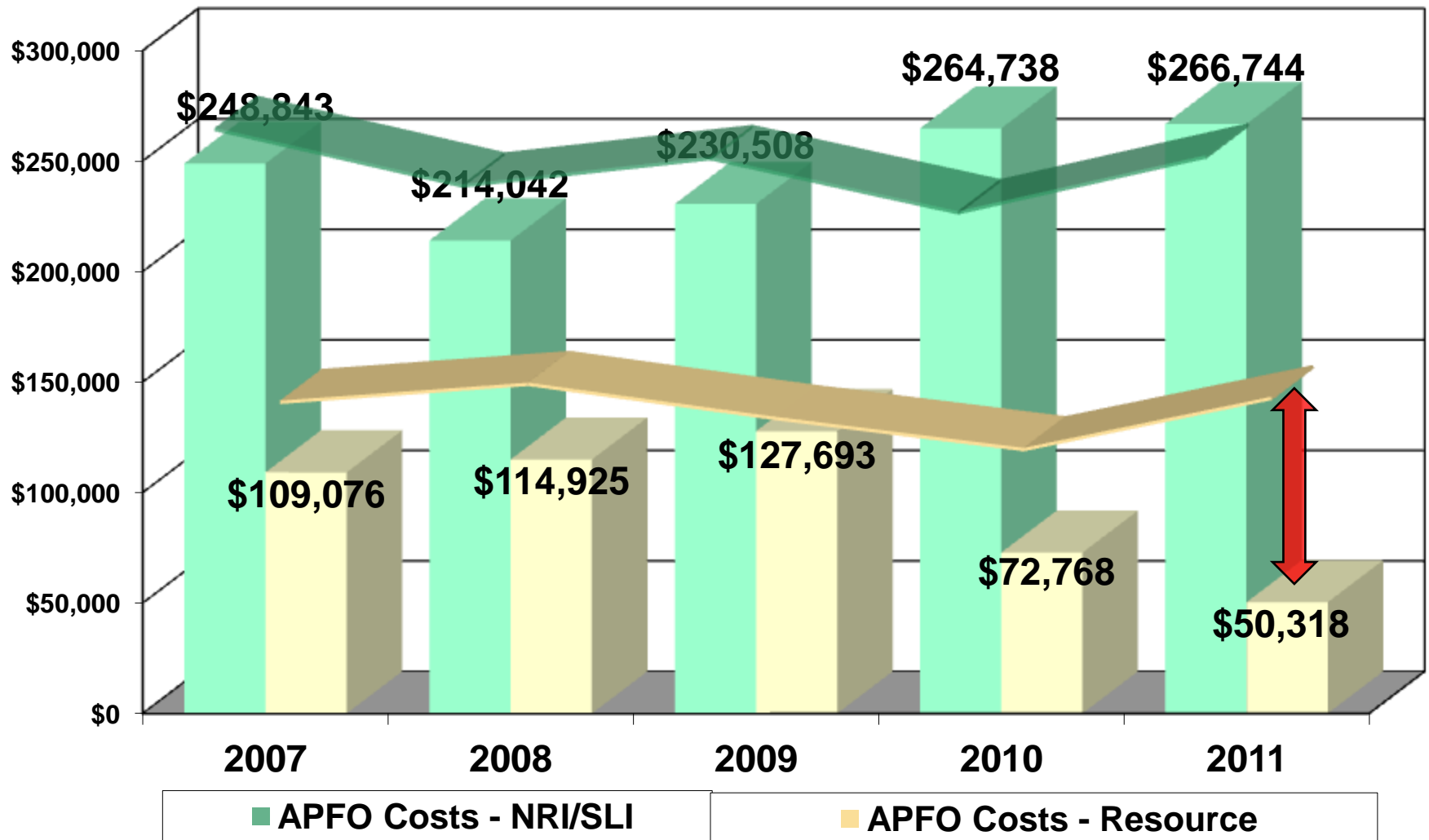
NRI/SLI & Resource Contracts

History of Contract Awards and Administrative Fees



APFO Administrative Charges

History of NRI/SLI and Resource Administrative Charges



APFO Contract Administrative Charges

Reasons for gap in resource projects fees vs. cost:

1. More products delivered with digital projects than film projects

FILM: aerial film
contact prints
photo center file

DIGITAL: stereo image files
ortho image files
stereo block file
compressed mosaic
ABGPS/IMU data files
footprint shapefile
RMSE & quality reports
metadata

**2. Lower contract amounts for digital
= lower admin fees**

**3. Inspection time increased for
digital projects**



APFO Contract Administrative Charges



Does the administrative fee charged cover APFO costs?

Based on the comparison of administrative fees charged and estimated APFO expenditures during the period of 2007 thru 2011:

NRCS Small Area Contract: the 3% administrative fee has covered approximately 93% of APFO costs.

Recommendation: Keep the administrative fee of **3% for FY2012**, and review actual APFO costs for possible adjustment in FY2013.

USFS Resource Contracts: The 8% administrative fee has covered approximately 72% of APFO costs (37% in 2011).

Recommendation: Keep the administrative fee of **8% for FY2012**, and review actual APFO costs for possible adjustment in FY2013. APFO has estimated resource fees between 8% - 15% for FY2013.

Conclusion

FSA and APFO are experiencing numerous fiscal and budgetary challenges in today's environment of reduced federal budgets

APFO has a significant investment in IT infrastructure (approximately \$381K) to support resource imagery programs and projects

APFO appreciates and values the NRCS & USFS cooperative partnerships and wishes to continue these projects and relationships 😊



Interagency Service Agreements

Instructions for filling out Form AD-672

REIMBURSEMENT OR ADVANCE OF FUNDS AGREEMENT									
1. AGREEMENT NUMBER (25)	2. FISCAL YEAR (4)	3. ESTIMATED AMOUNT (11)	4. AGY. BILL IND. (1)	5. TRANS CODE (1)	6. ACTION CODE (1)				
FS AG#: 11-IA-11061700-104	2011	\$125,000.00	1	2	1				
7. AGENCY REQUESTING SERVICE			8. AGENCY PERFORMING SERVICE						
NAME (32) USDA FOREST SERVICE (USFS)			NAME (32) USDA/FS/AERIAL PHOTOGRAPHY						
1ST LINE ADDRESS (32) OKANOGAN-WENATCHEE NATIONAL FOREST			1ST LINE ADDRESS (32) 2222 WEST 2300 SOUTH						
2ND LINE ADDRESS (32) 215 MELODY LANE			2ND LINE ADDRESS (32)						
CITY (21) WENATCHEE	STATE(2) WA	ZIP CODE (9) 98801	CITY(21) SALT LAKE CITY	STATE (2) UT	ZIP CODE (9) 84119				
9. SERVICE TO BE PERFORMED (Give brief explanation and basis for determining cost of services. Attach additional sheet if needed.) USFS is reimbursing FSA for services under this agreement. The USFS (requesting agency) is acquiring new aerial photography and copies of prints from the FSA APFO (performing agency) See attached project description worksheets USFS DUNS: 929332484 USFS CAN: FS TIN: 72-0564034 FS ALC: 12-40-1100 FSA DUNS: 054796409 FSA CAN: FSA TIN: 43-0951685 FSA ALC: 12-06-0000 Note: Interagency Agreement Supplemental Provisions are attached. Transfer of funds will be through the Interagency Payment and Collection System (IPAC) billing system.									
10. LIST REFERENCES TO CORRESPONDENCE RELATIVE TO THIS WORK (Requesting Agency only.) (50) IN ACCORDANCE WITH THE ECONOMIC STIMULUS ACT OF 2009, PUBLIC LAW 111-5, 111 STAT. 1105, 31 U.S.C. 1535									
11. DURATION OF AGREEMENT			12. METHOD OF PAYMENT						
EFFECTIVE DATE (From):			REIMBURSEMENT						
CONTINUING THROUGH			ADVANCE OF FUNDS						
Date of last signature: December 31, 2015			One time BILLING FREQUENCY TYPE OF ACCOUNT						
13. FINANCING (REQUESTING AGENCY - WHEN NOT SERVICED BY NFC)									
USFS DUNS: 929332484 FSA DUNS: 054796409									
14. FINANCING (REQUESTING AGENCY - WHEN SERVICED BY NFC)									
AGENCY CODE	FUND CODE	ACCT. STATION	ACCOUNTING CLASSIFICATION	OBJECT CLASS	AMOUNT				
12-40-1100		0617	CFLN0811	2510	\$125,000.00				
15. FINANCING (PERFORMING AGENCY)									
AGENCY CODE	FUND CODE	ACCT. STATION	ACCOUNTING CLASSIFICATION	OBJECT CLASS	AMOUNT				
16. LEAVE FACTOR (3) (2)		17. FICA FACTOR (3) (2)		18. OVERHEAD FACTOR (3) (2)					
19. REQUESTING AGENCY APPROVAL			20. PERFORMING AGENCY APPROVAL						
SIGNATURE Maurea House			SIGNATURE Ronald B. Nichols						
DATE 8/25/11			DATE 8/25/11						
TITLE REBECCA LOCKETT HEATH, FOREST SUPERVISOR			TITLE RONALD B. NICHOLS, DIRECTOR						
PERSON TO CONTACT James Bailey Rick Edwards			PERSON TO CONTACT Bridget Barlow Michelle C. Clifford						
PHONE (Area Code and No.) 509-826-3395 509-864-9315			PHONE (Area Code and No.) 801-844-2911 801-844-2509						
FTS X X			FTS X X						

Extend duration period
through funding
expiration date

Agreement must be
completed and signed
before submitting for
APFO Director's
signature



Interagency Service Agreements

Instructions for filling out Form AD-672

Additional information requested:

The IPAC billing document which the (Agency) prepares must contain the following information:

BILLING DATA	U.S. FOREST SERVICE	PERFORMING AGENCY
Obligation Document Number (MO# and Line Number)	To be provided when issued	N/A
Agency Location Code (ALC)	12-40-1100	
Treasury Account Symbol (TAS)	12X1106	
Account/Cost Structure or Job Code/Override	CFLN0811-0617	
Budget Object Code (BOC)	2510	
Document Agreement Number	11-IA-11061700-104	
Data Universal Numbering System (DUNS)	92-9332484	05-4796409
Common Agreement Number (CAN) – USDA Agencies Only		
Business Event Type Code (BETC)	DISB	COLL

MO number (Obligation Document Number) and **CAN Number** (Common Agreement Number)

ALC number (Agency Location Number) identifies agency within FMFI & IAS systems

TAS number (Treasury Account Symbol) identifies which account the funds reside in and defines the type of funding (fiscal-year, multi-year, or no-year)

**** All numbers must be provided at the time the agreement is submitted to APFO for signature****

APFO – USFS Agreement

AGREEMENT
BETWEEN
AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE,
FOREST SERVICE, AND SOIL CONSERVATION SERVICE OF
THE DEPARTMENT OF AGRICULTURE

PURPOSE

To outline general responsibilities and provide for funding and reimbursement for aerial photography contracting and imagery processing, between the Agricultural Stabilization and Conservation Service (ASCS), commencing on January 1, 1977 for the Forest Service (FS), and on October 1, 1977 for the Soil Conservation Service (SCS).

I - GENERAL RESPONSIBILITIES

ASCS will be responsible for establishing and maintaining a facility for procuring aerial photography and furnishing photographic products within the agreed schedule time period, in the quantity, and of the quality requested by FS and SCS. The quality shall be as specified in current USDA specification for aerial photography. ASCS will maintain an accounting system from which costs for aerial photography contracting service and photographic products can be extracted and used to determine reimbursements by FS and SCS.

Administrative Charge

“The rate will include the cost of direct labor and overhead, including supervision, operating supplies and services, facility maintenance, and (APFO) general administrative costs applicable to the contracting services and photographic products.”

